UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics

ANALYSIS OF OPERATION OF THE WAGE CEILING ORDER FOR HARVESTING CANNERY TOMATOES, CALIFORNIA, 1943

This is the third of a series of reports prepared at the request of the California USDA Wage Board on the operation of agricultural wage ceilings in California in 1943. The first wage ceiling order covered cutting, sledding, and packing cannery asparagus; the second picking sun-dried raisin grapes; and the fourth picking cotton.

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Berkeley, California
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SUMMARY

The wage ceiling on tomato picking did not receive a severe test. Labor supplies were so plentiful that most growers had no difficulty in obtaining sufficient workers at rates below the ceiling. In areas in which labor stringencies did occur, the ceiling program did not operate so smoothly as had been hoped. This was at least partially due to lack of experience of local authorities in handling such regulations.

Advantages connected with the wage ceiling may be summarized as follows:

(1) It stabilized picking rates for the 1943 season at or below the 17-cent ceiling level. Wage rates probably would have been higher and more variable from farm to farm and district to district if there had been no ceiling.

(2) Ceiling wage rates were still sufficiently high to attract laborers to the crop. Losses of tomatoes due to labor shortages were negligible.

(3) Workers respected the ceiling and did not put pressure on growers to increase their rate of payment.

(4) Growers respected the ceiling, except under conditions of particular stress, and tried other means than wage-rate raising in order to get their picking done. Labor pirating was rare.

(5) The output per worker increased noticeably over last year. Workers stayed at their work instead of running about seeking jobs that payed higher rates.

However, the success of the 1943 season was not due entirely to the wage ceiling order. Credit must be shared with the Mexican importation program, the

farm-placement activities of the Extension Service, and the unexpected influx of farm workers into the tomato-growing area. In fact, most growers were inclined to give the major credit to the improved farm labor supply.

Several shortcomings appeared in the operation of the ceiling:

(1) A single ceiling rate tended to be less flexible than was needed. This worked to the advantage of the heavy producer and to the disadvantage of the marginal grower. A sliding scale based on total yield per acre or on yield per acre per picking would have been more equitable and consequently less difficult to enforce.

(2) The tomato harvest usually involves four pickings, the last paying a higher rate than the others. Local administration in most counties was not flexible enough to meet this situation. The situation might be met by having season contracts providing for payment of a bonus for staying through the entire harvest. This would avoid trouble in getting the final picking done at ceiling rates but might lead to other abuses. Another possibility is that the ceiling might be withdrawn altogether on some date in the latter part of the season thus permitting growers to pay the rates necessary to get the final picking done.

(3) The ceiling was inflexible at times of stress or crisis, that is, with changes in the weather. Such situations couldn't all be met by season contracts nor by granting individual adjustments. Possibly local committees should be granted power to give a blanket raise in ceiling levels in such circumstances.

(4) Inflexibility of the ceiling was partially due to unwillingness of grower members of the County Adjustment Committees to permit other growers to pay more than they themselves paid. When public officials made the adjustments they were much more likely to make decisions designed to put all growers on an equal competitive level. Probably disapproved requests should be subject to check by State officials as well as those that have been granted.

(5) County War Boards and County Adjustment Committees have not always had field men in the county, consequently they have sometimes been poorly informed as to what was actually going on. A field man to keep in touch with all growers and their labor problems is a necessary requirement for good enforcement.

(6) Growers have sometimes complained in regard to the delays in obtaining adjustments. If the field men could make tentative adjustments in the field, subject to approval by county and State authorities, these delays could be obviated.

(7) There has been some lack of coordination between the agencies dealing with farm labor. If the field man having charge of wage-ceiling programs worked out of the County Farm Labor Offices or in close connection with them this lack of coordination would be overcome.

(8) Responsibility for decisions made on applications for adjustments is not well-focused. War Board and AAA officials disclaim responsibility on the ground that "It was the growers themselves that made the decision." Growers themselves often have no keen sense of public responsibility in making such decisions.

(9) Procedures in applying for the privilege of paying adjusted rates were too formaliz ed to be easily available to growers who had difficulty in using the English language. This disadvantage can largely be overcome by having field men circulate among the growers and become aware of their needs.

(10) Formalism and lack of flexibility have given rise to violations. Cases of hardship and suspected violation should be handled through personal visits and the use of pressure rather than by "crack-down" methods. Violations usually occur when the grower is unfamiliar with the new regulations, or is seriously injured by them.

(11) Some confusion arose as to just when a worker became a labor contractor and the fee to which he was entitled. This issue needs to be clarified.

(12) The ceiling order was extended to cover some counties in which growers produced primarily for the fresh market and sent their second-grade tomatoes to the cannery. The ceiling order did not operate to advantage in those counties.

As most of the problems associated with the enforcement of the ceiling arose because of actions and policies of the local adjustment committees, it seems desirable that:

(1) Personnel of the local committees be selected as carefully as possible and that a special attempt be made to see that growers whose major interest appears to be to hold wages down do not dominate such committees.

(2) Committees showing any bias as to areas in the county, as to early or late growers, large or small growers, or efficient and inefficient growers, etc. should not be permitted to pass on requests for adjustment.

(3) Paid adjusters should handle all adjustments whenever possible and the committees should act only in an advisory capacity.

(4) Local committees that continue to make adjustments should be charged with the responsibility of seeing that all of the particular crop with which they are concerned is harvested. This might overcome some of their reluctance in making needed adjustments.

(5) Some analysis should be made of all adjustments that have been granted or denied so that a more systematic program can be formulated in regard to them.

INTRODUCTION

From the standpoint of the growers the ceiling on asparagus wages had been a signal success. Wage rates which had originally moved so high that some producers could not afford to harvest their crops were rolled back to a level which

permitted most operators to continue their harvest without financial loss. Labor pirating by growers and bidding up of wage rates by workers was stopped, and the 1943 harvest season which had begun with numerous wage disputes ended quietly. Tomato growers who operated in the asparagus area watched the asparagus wage ceiling closely and even before the asparagus season was over put in a request for a ceiling on wage rates in the tomato industry.

Skeptics pointed out the following differences between the two industries: (1) There were only a few hundred asparagus growers and many of these were well-educated and had been active participants in commodity control programs. On the other hand, there would be from 5,000 to 7,000 tomato growers, many of them small operators of foreign extraction. Some would be engaged in the production of tomatoes only this one year in the hope of "making a killing" at the new Government prices. (2) Experts in the asparagus industry had surveyed all asparagus beds for years and could tell in a moment whether any bed should be allowed to pay an adjusted rate or not. No such records existed in case of tomato growers, consequently extensive field investigations would have to be made to determine whether adjusted rates should be granted. (3) Asparagus growers usually had regular crews employed for a 3-month season who were not paid in full until the end of the season. Hence a system of adjusting wage rates through an industry committee had a good chance to succeed. Many tomato growers, on the other hand, paid their workers in cash every night. Under such a method workers simply quit when they did not make enough money. They would not wait for a county committee to deliberate as to whether the rate should be higher. (4) Asparagus cutting was about the only active harvest operation in the spring whereas grapes, walnuts, almonds, sugar beets, prunes, hops, and other crops were all harvested in the fall at the same time as tomatoes. The asparagus grower was not afraid of competition from other crops but if the tomato growers operated under a ceiling they might be placed in an unfavorable

competitive position.

In addition to these specific objections there was the more general one, that the growers wanted to handle their own business without interference from the Federal Government. It was alleged that the "Government" was getting its hands into too many affairs already and was not always handling them in the most efficient way.

Zealous efforts by officials of the Central California Canning Tomato Growers Association and several open meetings of tomato growers finally won the growers over. These officials now view the 1943 season with considerable satisfaction. Losses of tomatoes were negligible and labor troubles were few. Association officials are now planning methods of procedure for 1944 that may smooth out some of the deficiencies found in the 1943 program.

THE TOMATO INDUSTRY IN CALIFORNIA

It has been impossible to organize tomato production in California to the same extent that the production of tree and vine crops has been organized. A few growers raise tomatoes year after year, but many of the potential producers shape their plans each year according to the apparent opportunity to make a profit. Early each year tomato cannery representatives solicit among farmers to get them to produce tomatoes for the canneries. A few grow ers refuse to sign cannery contracts but set out their tomatoes in the hope that the demand for them will increase at the time the cannery season opens. Acreage fluctuates widely with anticipated prices and market conditions. Total acreage in the State in 1933 was 30,470; in 1937, 83,030; in 1938, 46,480; in 1942, 124,678; in 1943, 112,677 acres. 1/

The fact that production of tomatoes is shifted from farm to farm also

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1/ Figures from California Cooperative Crop Reporting Service.

makes for instability. So-called virgin acreages in the Sacramento or San Joaquin Valleys are expected to produce 20 tons to the acre the first year; the second season the yield will probably be only 15 or 16 tons; the third year the yield will probably be under 10 tons with the likelihood that diseases and insects that feed on tomatoes or tomato plants may be prevalent. Consequently, many of the tomato growers are "migratory." They spend the winter months checking around over bare-land acreages in an effort to find which are most likely to bear a good crop of tomatoes. This may mean the renting of half a dozen different acreages over an area of 50 or 100 square miles, depending on the local situation and the optimism of the grower. If these growers can obtain a virgin acreage they will rent it for 3 years, but at the end of this time they will have no more use for it. Land that has been in alfalfa for several years is especially desirable.

The "migratory" tomato grower is regarded as a soil miner. As he is a tenant, usually he is not interested in restoring to the soil those elements which are depleted by tomato production. The acreage of land that will produce tomatoes without fertilization is constantly becoming less, and it is said by some that migratory tomato growing may soon be a thing of the past. A grower with sufficient land to be able to produce his tomatoes on his own farm usually has worked out a rotation system involving alfalfa, sugar beets, tomatoes, and other field and vegetable crops.

The tenant-operator may rent land for tomatoes on either a cash or share-rent basis. Cash rent varies from $10 to $50 per acre per year, depending on the probable tonnage of tomatoes. Share rent is most commonly 25 percent but may vary, especially if the landlord supplies more than the bare land.2/

2/ Adams, R. L. And Smith, Wm. H. Jr. Farm Tenancy in California and Methods of Leasing. Univ. of California, Agr. Expt. Sta. Bul. 655. Oct. 1941.

Tenant-operators frequently have farms of their own but have raised tomatoes on them for so long that the soil is no longer productive, so land that will produce this crop must be rented.

Enterprise-efficiency studies made by the University of California staff indicate that 73.8 percent of the canning-tomato operators were tenants and that they operated 72.1 percent of the acreage. 3/ The average tomato acreage handled by an owner-operator was 32 acres and that handled by a tenant 27 acres. These averages, however, do not give a clear picture of the type of holdings operated by tomato growers. A study of 971 growers of canning tomatoes, made by the Special Tomato Prorate Committee in 1936, showed a range in acreages operated from 1 to 400. One-fourth of the growers had 5 acres or less whereas a considerable number of farms of over 100 acres were operated. 4/

No data are available as to the nationality of tomato growers but it is known that a high proportion are of foreign extraction. Santa Clara and Alameda Counties have an especially high proportion of growers of Italian and Portuguese descent. Some of these have been producing tomatoes and other truck crops for years. They still tend to manage their own affairs without much regard to co-operative associations, Government programs, or industry controls.

Until their evacuation in the spring of 1942 the Japanese were heavy producers of tomatoes. Carl Schiller, statistician on the California Crop Reporting staff, estimated that in 1940, 50 percent of all the tomatoes in the State were produced by Japanese. 5/ Both growers and speculators took over

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3/ Enterprise-efficiency studies in tomatoes. Univ. of California, 1936-39.

4/ Schneider, John B. California Tomato Industry. 1940. (Unpublished thesis. Copy on file Univ. of California Library.)

5/ Fisher, Lloyd H., and Nielsen, Ralph L. The Japanese in California Agriculture. U. S. Bur. of Agr. Econ. Mar. 1942.

these acreages, some under the feeling that tomatoes were an important war crop, and consequently that the Government would see that all tomatoes were harvested, and that prices would be high enough to encourage further production. This optimism was unwarranted in 1942, for a heavy tonnage of tomatoes was not harvested and some speculators lost considerable sums of money. Producers of tomatoes in 1943 included many new growers, among them another group of promoters who felt that tomatoes would be highly profitable at the price ceilings established by the Government.

Most of the canning tomatoes in California are grown in the coastal and interior valleys of central California. San Joaquin County has the largest acreage--30,819 in 1942 and an estimated 24,000 in 1943. Yolo, Sacramento, Alameda, and Santa Clara each have over 9,000 acres (fig. 1; table 1). Southern California also has some 12,000 acres in tomatoes but tomato growers in that section of the State are more inclined to produce for the fresh market.

Average yield of canning tomatoes in California was 6.4 tons in 1942, but was considerably higher in the leading tomato-growing counties. San Joaquin County had 7.5 tons, Sacramento 8.8 tons, and Yolo County 16 tons. 6/ A good many marginal producers operate in this industry chiefly because of the number of amateurs and speculators engaged in it.

In Southern California, tomatoes are produced largely for the fresh market, but if fresh market prices are unattractive the tomatoes can be directed to the canneries. Imperial and Riverside Counties produce tomatoes that are marketed in the winter and early spring. They sell at prices that make them noncompetitive with cannery tomatoes. Summer tomatoes are produced further north and a few of these toward the latter part of the season are sent to canneries. Fall market tomatoes can be sent to either outlet. The 1942 acreage

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6/ Figures from reports of County Agricultural Commissioners.

Table 1.- Number of farms growing tomatoes, acres in tomatoes, and acreage per farm in tomatoes in 1939, with 1943 estimate of acreage 1/

County	Farms	Acres	Acres per farm	Estimated acreage for 1943
	No.	Acres	Acres	Acres
Alameda	304	7,822	25.7	14,553
Butte	36	52	1.4	304
Colusa	8	16	2.0	90
Contra Costa	181	3,046	16.8	4,316
Merced	123	1,028	8.4	1,767
Monterey	63	582	9.2	1,334
Napa	33	544	16.5	1,603
Placer	13	14	1.1	253
Sacramento	173	4,805	27.8	13,111
San Benito	66	1,513	22.9	4,682
Santa Clara	270	4,418	16.4	9,332
San Mateo	17	26	1.5	101
Santa Cruz	97	693	7.1	427
San Joaquin	489	11,403	23.3	24,288
Solano	39	1,180	30.3	1,497
Sonoma	34	100	3.0	535
Stanislaus	92	1,095	10.2	2,093
Sutter	15	186	10.2	483
Yolo	99	3,442	34.7	16,582
Yuba	11	18	1.6	174
State of Calif.	4,138	59,774	14.4	112,677

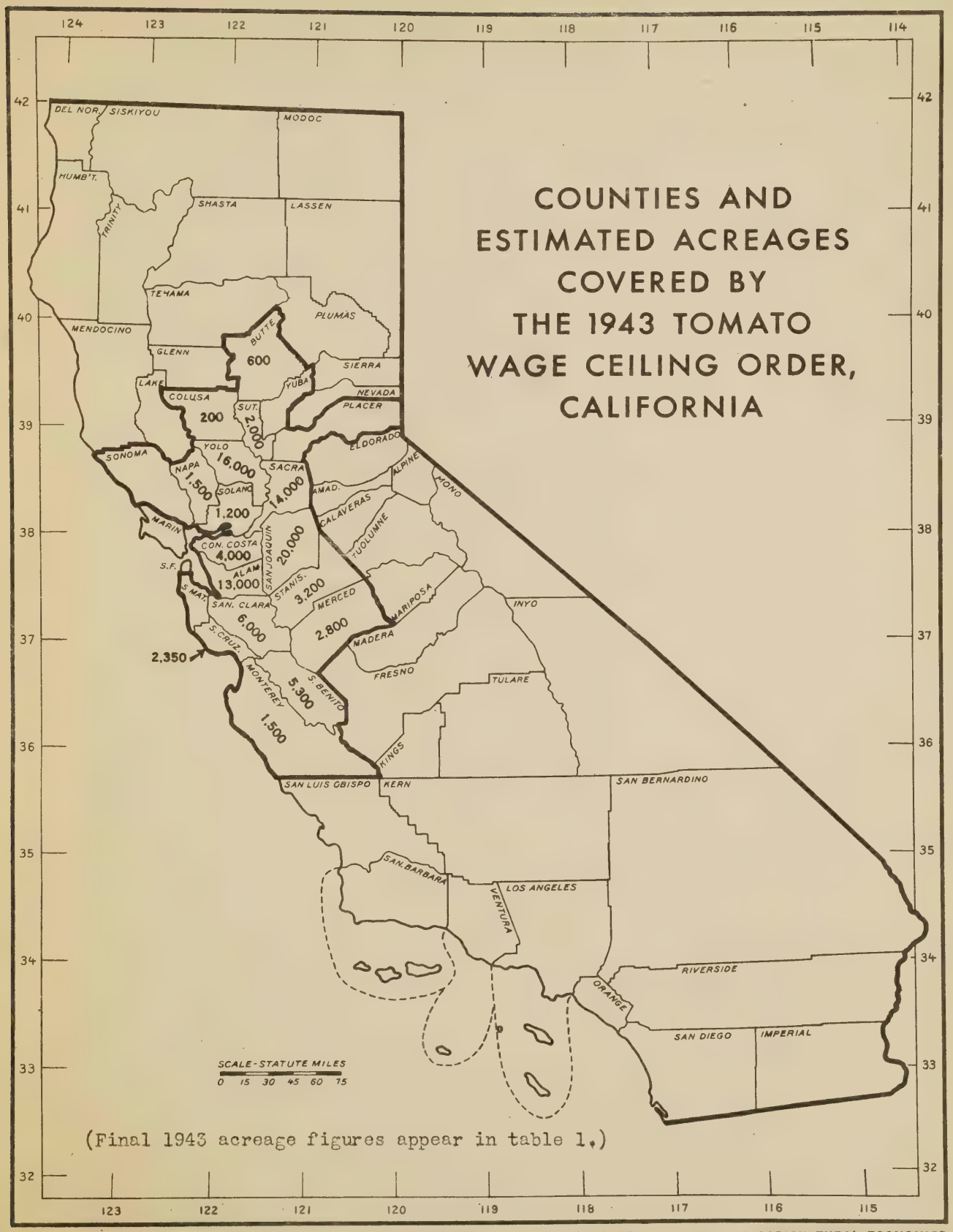
1/ Data for 1939 from U. S. Census. Estimates for 1943 from California Cooperative Crop Reporting Service.

of early spring market tomatoes was 6,900; summer 9,400; and fall 13,850. 7/

California and Indiana lead in the production of canning tomatoes, each producing approximately 15 percent of the national supply. New Jersey, New York, Ohio, and Maryland are other heavy producing States. William Kling has recently compiled figures as to trends in canning-tomato production, yields, and prices (tables 2 and 3). 8/ These data show that during the last two

7/ California Cooperative Crop Reporting Service. Vegetable Crops in California. April 1943.

8/ Kling, Wm. Tomato Trends by Areas. Bur. Agr. Econ. Feb. 1942.



(Final 1943 acreage figures appear in table 1.)

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Table 2.- Canning tomatoes: Production, price, and yield per acre, California, 1930-43 1/

Year	Production 1/		Yield per acre in California 2/	Price per ton to growers in California 1/
	United States	California		
	Tons	Tons	Tons	Dols.
1930	1,757,500	329,200	---	15.10
1931	976,400	87,100	---	12.80
1932	1,199,300	149,800	---	10.75
1933	1,081,300	164,500	5.4	12.00
1934	1,425,700	282,200	5.1	11.60
1935	1,700,200	313,400	4.5	11.50
1936	1,987,500	456,200	5.6	13.00
1937	1,926,300	448,400	5.4	14.10
1938	1,742,600	283,500	6.1	12.30
1939	1,999,900	380,400	6.6	12.60
1940	2,275,800	579,400	8.1	12.60
1941	2,730,200	674,200	7.5	13.80
1942	3,153,000	798,000	6.4	18.50
1943	3/2,645,600	3/799,200	7.1	3/25.50

1/ Kling, Wm. Tomato Trends by Areas. U. S. Bur. Agr. Econ. Feb. 1943.

2/ California Cooperative Crop Reporting Service. Vegetable Crops in California. Apr. 1944.

3/ Preliminary data from California Cooperative Crop Reporting Service.

decades average yield per acre and total production have increased more rapidly in the North Central States. Price per ton from the period 1918-20 to that of 1937-40 decreased an average of 39 percent in the country at large but only 26 percent in California (table 3).

Varieties

In common parlance tomatoes are divided into two types according to their shape. These are "rounds" and "pears." Differences between the two are fundamental. The round tomatoes are large, flattened at top and bottom, and are used for canned tomatoes, juice, and sauce. 9/ Pear-shaped tomatoes are small, elongated, less soft and watery, and are used for tomato paste. The most

9/ Schneider, J. B. The California Tomato Industry. Univ. of California. (Ph.D. thesis.) 1940.

Table 3.- Changes in canning tomato acreages, yield, production, prices, and returns, by area in the United States, comparing 1918-20 with 1937-40 1/

Item	California	Utah Colorado	Mid South	North-central	North-eastern	Other	Total U. S.
Acreage, 1918-20	36,263	7,440	33,540	61,671	143,296	3,733	288,943
Acreage, 1937-40	63,288	9,257	36,325	114,125	152,475	21,415	396,885
Percentage change	+ 74	+ 24	+ 8	+ 85	+ 6	+ 474	+ 37
Yield per acre, 1918-20...tons	5.9	9.1	3.1	4.5	3.9	3.8	4.4
Yield per acre, 1937-40...tons	6.3	8.1	2.5	5.2	4.6	3.2	4.9
Percentage change	+ 7	- 11	- 19	+ 16	+ 18	- 13	+ 11
Production, 1918-20...tons	231,000	67,500	102,333	278,533	565,400	14,167	1,258,933
Production, 1937-40...tons	401,825	75,350	92,350	591,900	706,250	69,550	1,937,225
Percentage change	+ 74	+ 12	- 11	+ 113	+ 25	+ 391	+ 54
Price per ton, 1918-20	$17.71	$14.48	$16.20	$16.00	$24.80	$17.51	$20.22
Price per ton, 1937-40	$13.03	$10.12	$11.15	$11.34	$13.35	$10.33	$12.33
Percentage change	- 26	- 30	- 31	- 29	- 46	- 41	- 39
Value per acre, 1918-20	$ 104	$ 132	$ 50	$ 72	$ 97	$ 67	$ 89
Value per acre, 1937-40	$ 83	$ 82	$ 28	$ 59	$ 62	$ 34	$ 60
Percentage change	- 20	- 38	- 44	- 18	- 36	- 49	- 33

1/ Compiled from Tomato Trends by Areas, by William Kling, Bur. of Agr. Econ. Jan. 1942.

popular variety of round tomato is the Early Santa Clara. Both vines and fruit are large, but the tomato is thin-skinned, soft, and watery, and must be picked within a few days after it ripens or it will spoil. Workers prefer to pick this type because of its size. A more recent type of round canning tomato is the Pearson, which is smaller than the Santa Clara, but is comparatively firm, and with a tough skin. It can be used as a shipping as well as a canning tomato, and will not spoil if left on the vine for from 10 days to 2 weeks after ripening.

The pear-shaped tomatoes were introduced from Italy in 1926 and have increased greatly in popularity. Although they are small they are produced in large clusters and the vines keep on bearing until they are pulled out at the end of the season. They resist spoilage for weeks after ripening and are more resistant to crack, mold, and moisture than other tomatoes. Consequently they do not have to be picked as frequently as other varieties. At the last picking the vines are cut, the tomatoes shaken from them and picked up from the ground.

Harvest Operations

Tomatoes ordinarily are ready for the first picking by early or mid September (table 4). This picking is usually light and usually produces 2 to 3 tons to the acre. Ordinarily the field is picked over again at intervals of a week to 10 days, depending on how fast the tomatoes are ripening. The usual practice is to pick over a field four times, but circumstances may vary this number. When a crop is light and the tomatoes all tend to ripen at one time the grower may try to harvest all the tomatoes in one or two pickings. Some fields with a heavy crop may be picked over as many as seven times. In the normal situation of four pickings, the second and third are usually fairly heavy whereas the last one is a clean-up job involving a good deal of sorting. The good cannery tomatoes must be selected out; the green, the sunburned, those

Table 4.- Year-round cycle of operations in the production of cannery tomatoes, California, with man-hours of labor required per acre

Month	Operation	Man-hours
January	Plant tomato seeds in hotbed.	2
February	Transplant to cold frame.	3
March) April)	Prepare field, plow, and disk. Water plants in cold frame.	9
May	Transplant to field. Irrigate.	7
June	Replant misses, irrigate, cultivate, hoe, or cut weeds.	10
July	Irrigate, cultivate, hoe, or cut weeds. Dust.	11
August	Recruit pickers. Dust.	3
September) October)	Make 4 pickings of tomatoes, load and haul to cannery.	58
November) December)	Plow and disk for next season. Turn under vines, or pull and burn.	1
	Total man-hours	104

that have started to mold, or to rot, and other types of defective fruit are left on the vines. Careless workers can do a great deal of injury to a grower if too many defective tomatoes are placed in the boxes, thus reducing the grade or causing rejection of the entire load of tomatoes.

The pickers ordinarily gather the tomatoes in 16-quart pails which when filled are carried to cannery boxes placed along truck rows. These boxes are hauled to the cannery before the close of each day. The grower usually has other workers to load the boxes on the truck but occasionally asks members of the picking crew to load the boxes they have picked.

The number of boxes that can be picked in a day varies. Thirty boxes a day for the first picking make a good average, as do 50 to 60 boxes on the second and third pickings, and 20 to 30 on the last. Professional Filipino pickers do better than this. They can make 80, 90, or 100 boxes a day when the picking is good. Because of their speed they are in great demand and usually pick only the most productive fields.

Production per picker varies almost as much with field conditions as with yield. Some growers are inexperienced at weed control and others cut up their fields with irrigation ditches that make picking difficult. A few growers have found that an irrigation ditch between every other row will supply all the moisture that is needed. This system also provides a flat space between alternate rows so that the workers can pick to better advantage. Pickers are constantly being turned away from such fields whereas they avoid those in which they will have to hunt among the weeds to find the tomatoes.

Picking of tomatoes usually continues until the harvest is stopped by frost which commonly occurs during the early part of November. During the 1943 season the first frost occurred on the 31st of October but was not heavy enough to freeze all the tomatoes. A few grow ers tried to salvage the rest of their tomatoes, but the spason was over.

Crops Competing with Tomatoes for Labor

Tomato growers had a difficult season in 1942. Their neighbors producing wine or table grapes, walnuts, almonds, olives, hops, celery, and several other crops had such a distinct price advantage over them that they did not dare enter into wage competition for labor. They had to take the workers that the growers of other crops could not use. Estimates as to how many tomatoes were lost on account of labor shortage vary from 125,000 to 200,000 tons. The estimate made by the California Crop Reporting Service was 130,000 tons, or

14 percent of the crop. 10/

Competition was not from agriculture alone. It was reported that recruiters from iron foundries and shipyards went into the tomato fields during the 1942 picking season and offered the pickers 90 cents an hour to work for them. The drain of workers into defense industries in the San Francisco Bay Area is indicated by the following figures on total industrial employment in that area in September of each year:

September 1940	85,300
September 1941	124,000
September 1942	244,800
September 1943	293,200 11/

Crops which compete most heavily with tomatoes for labor are wine and table grapes. These crops are ready for picking at the same time as the tomatoes and the season ends only a few weeks sooner (fig. 2, table 5). But growers of grapes claim that there is no real competition between grapes and tomatoes as tomatoes are a stoop labor crop and grapes are not. 12/ They point out that even if the wages for picking grapes were much lower than for tomatoes their workers still would not pick tomatoes. A large element of truth is contained in this statement so far as experienced farm laborers are concerned. If they have followed stoop labor crops they will pick tomatoes; if they regard such work as beneath them or are unwilling to bend their backs too much, they will generally refuse to take a job picking tomatoes even though the wage rates are high. On the other hand, a man who has habitually picked tomatoes will also

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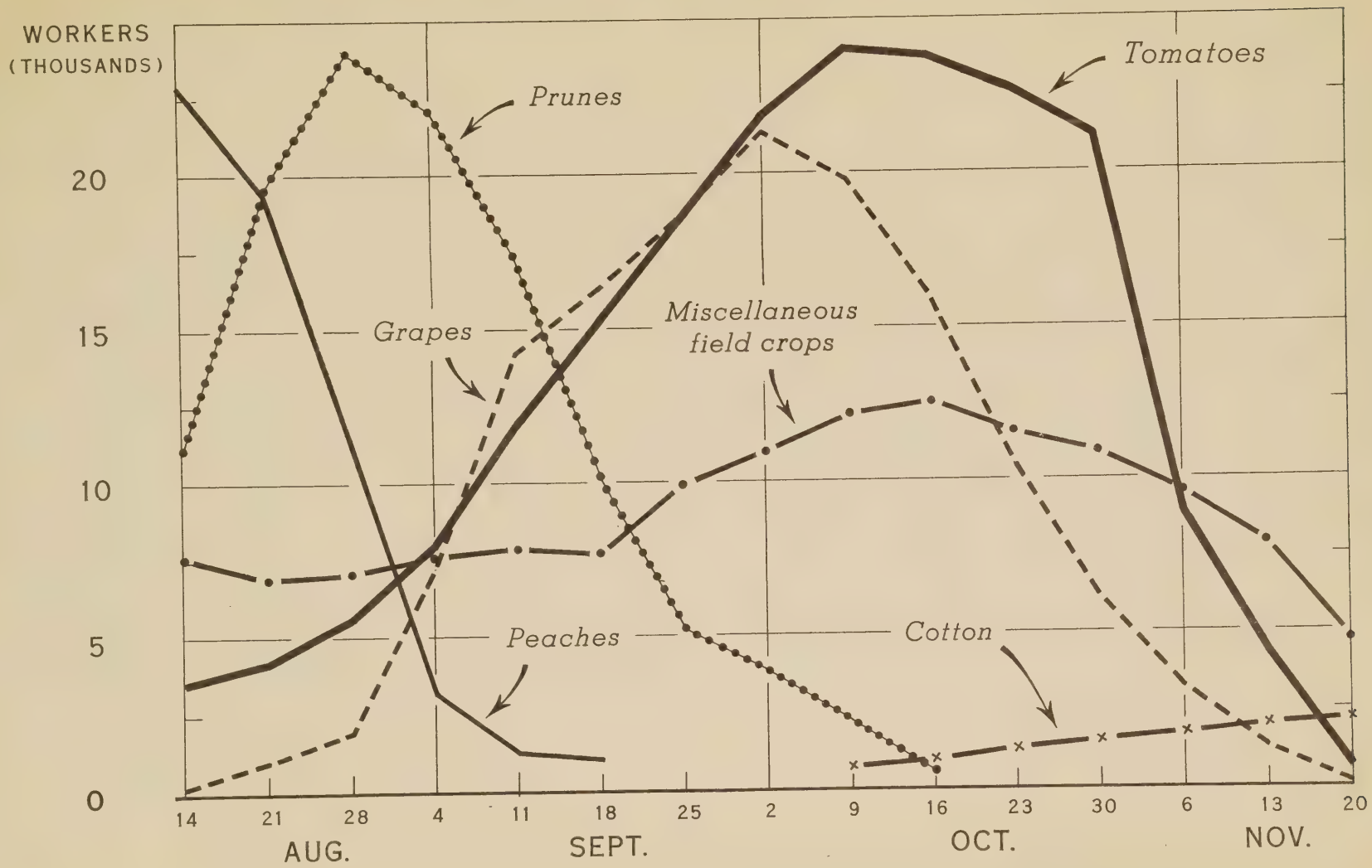
10/ California Crop Reporting Service. Estimated Crop Losses Due to Labor Shortages During 1942. Release of March 20, 1943.

11/ Division of Labor Statistics and Law Enforcement. California Labor Statistics Bulletin.

12/ "Stoop labor" jobs, that is those which must be performed in a stooping, squatting, or kneeling position, are customarily performed only by those workers who stand at the bottom of the social and economic scale. Wartime necessities have altered this only to a slight extent.

ESTIMATED NUMBER OF WORKERS ENGAGED IN HARVESTING TOMATO AND LABOR COMPETITIVE CROPS IN TOMATO WAGE CEILING AREAS, CALIFORNIA, BY WEEKS OF 1943 SEASON*



* BASED ON DATA IN TABLE 5

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Table 5.- Workers engaged in harvesting tomatoes and labor-competitive crops in area covered by California tomato wage ceiling, 1943 1/

Week ending	Tomatoes	Grapes 2/	Prunes	Pears	Peaches	Almonds	Walnuts	Hops	Figs	Apples	Truck crops 3/	Field crops 4/
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Aug. 14	3,520	200	11,159	7,420	22,900	1,900	---	850	2,000	2,300	7,900	7,635
Aug. 21	4,190	1,000	19,510	3,650	19,400	2,960	---	2,850	2,025	1,100	8,040	6,885
Aug. 28	5,620	1,950	23,975	1,300	11,400	3,890	---	5,470	2,525	1,900	8,030	7,065
Sept. 4	7,985	7,250	22,020	1,100	3,235	4,400	---	6,150	3,400	1,900	7,535	7,582
Sept. 11	11,895	14,120	17,340	960	1,200	4,650	125	4,600	4,200	1,800	7,225	7,850
Sept. 18	15,180	16,275	10,215	810	1,000	5,225	1,175	800	4,550	3,000	6,960	7,705
Sept. 25	18,465	18,550	5,200	510	---	4,220	3,485	---	4,400	3,500	7,425	9.928
								5/Cotton				
Oct. 2	21,840	21,300	3,850	175	---	2,825	4,590	---	4,200	3,500	6,895	10,925
Oct. 9	23,940	19,775	2,150	---	---	1,925	5,120	700	3,700	3,800	6,575	12,120
Oct. 16	23,760	15,925	525	Pruning	---	1,300	4,795	900	3,000	3,500	5,751	12,525
Oct. 23	22,630	10,475	---	365	---	595	4,750	1,200	2,000	2,900	5,725	11,500
Oct. 30	21,090	6,100	---	700	---	450	3,340	1,500	1,500	2,400	5,695	10,836
Nov. 6	8,890	3,200	---	2,035	---	---	1,930	1,700	1,000	1,900	5,190	9,575
Nov. 13	4,835	1,200	---	2,625	---	---	1,010	2,000	---	1,700	5,750	7,875
Nov. 20	650	100	---	5,035	---	---	225	2,200	---	1,400	6,640	4,700

1/ Data compiled from California Weekly Farm Labor Reports. Cooperative Extension Work, U. S. Department of Agriculture and University of California cooperating. August 14 to November 20, 1943.

2/ Does not include the heavy demand for grape laborers south of the tomato wage ceiling area.

3/ Includes potatoes, celery, onions, lettuce, carrots, strawberries, melons, cucumbers, garlic, seed crops, broccoli, sprouts and cabbage.

4/ Includes alfalfa, sugar beets, beans, grain rice, and corn.

5/ Does not include heavy demand for cotton pickers south of the tomato wage ceiling area.

pick grapes if that work will pay him more money. So the competition is one-sided with all the disadvantages on the side of the tomato grower.

Competition was less keen in 1943 than it had been in 1942. The pear, prune, and peach crops were somewhat early and were almost entirely finished before the tomatoes were ready to harvest. Almonds, walnuts, apples, figs, sugar beets, alfalfa, and potatoes offered minor competition. As the season was closing the pickers began to leave to work in cotton, celery, olives, and citrus fruits. Movement away from a crop before the season is over is a common practice among migratory seasonal workers. They will pick out the best fields, and possibly assist in other fields where the picking is still good. They leave the clean-up work for local workers and for those who are less ambitious, while they go into an area in which a new crop is coming on. By getting there early they get the pick of the fields which they believe will mean much more money in their pockets than if they wait until the crop actually starts.

Harvest Workers and Wage Rates

Some growers take care of the harvest labor situation by hiring a labor contractor to handle all labor operations at a stipulated price. This saves much fuss and confusion over hiring, payment, and supervision. Commonly, however, the grower hires enough workers to harvest his tomatoes. These workers may be in a crew or may come as individuals or in families. If the grower has housing for a crew or for family groups he has an advantage in obtaining workers of these types. A third method of getting workers is to go to the "skidrow" section of a nearby city, recruit the number of workers needed, and haul them to and from the field. 13/ Payment must be made in cash at the end of each

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13/ Most California cities have "skidrow" areas made up largely of bars, pool halls, gambling houses, cheap restaurants, and rooming houses. Casual white, Filipino, Mexican, and colored workers can be obtained there, either by personal solicitation and persuasion, or through public or private employment agencies.

day and each day it may be necessary to recruit an entirely new crew. A fourth method is to rely on volunteer workers to come out on holidays, week ends, vacations, and other off-hours. Such workers require careful training and supervision or they will trample down the vines, pick underripe or overripe tomatoes or cause other types of trouble. Hiring of workers was greatly simplified this year by the Farm Labor Offices of the United States Extension Service. Branch offices have been established in all areas with any considerable farm labor demand and they are frequently able to furnish workers locally so that the hauling problem is reduced. They assist in recruiting "skidrow" and volunteer workers.

The picking of tomatoes is regarded as a stoop-labor job and is therefore avoided by certain types of workers who feel socially above this type of work. Typical tomato pickers include the Filipinos, the California Mexicans, most "Okies" and Texans, some "winos" from "skidrow" and volunteer school children who engage in the work partly from patriotic motives and partly because of the pressure of school authorities. During the 1943 season it was not uncommon to see workers of all colors and ages in the same field. Some growers objected, however, to hiring Negroes and some camps of Negroes had very slack employment.

The grower with a heavy crop and good picking conditions is usually able to get his crop picked on a season contract. He may or may not stipulate that a part of the wages will be held back until all picking is done. If he does, this will insure that the workers will stay with him and complete the last picking. The grower who hires strictly on a piece-rate basis customarily has to pay more to get the last picking done. He may try to hold back a cent or two per box in order to keep workers with him through the season but then is likely to be avoided because he is paying a cent or two less than other growers.

Ten years ago pickers were commonly paid on a per-ton basis; now payment is based on the 50-pound cannery box and only a few of the larger contracts are

by the ton. During the last 10 years, the rate for picking tomatoes has increased 200 percent. The few records that are available also indicate considerable variation in the picking rate by fields and by areas in previous years. Rates in the Sacramento-San Joaquin Valley were generally somewhat lower than for the Santa Clara-San Benito area.

REQUEST FOR A CEILING

In the Sacramento-San Joaquin area a number of farmers produced both asparagus and tomatoes. As soon as these people saw that the ceiling on asparagus wages was effective in reducing labor turn-over they began to recommend that one be established for tomato picking. They brought the matter before a meeting of the Central California Canning Tomato Growers Association in Stockton in May and that group voted practically unanimously in favor of a wage ceiling. Similar groups of tomato growers in Yolo and Sacramento Counties also endorsed a ceiling. These groups also set forth the ceiling rates which they felt were desirable. Yolo County growers asked for a ceiling of 15 cents for round tomatoes and 19cents for pears. Sacramento and San Joaquin Counties asked for 16 cents for round tomatoes and 20 cents for pears.

These and other requests were conveyedto the California State War Board and in turn to Marvin Jones, War Food Administrator. On August 2, Mr. Jones directed that hearings be held to determine whether tomato growers and tomato workers desired to have a wage ceiling, the rates they recommended, and the operations and area to be covered by a ceiling order. The Administrator's order specified that at least 3 days' notice should be given before holding a hearing, that it should be informal in nature, and should not last more than 2 days.

In accordance with these directions public hearings were set for Sacramento on August 10 and in Hayward on August 11. The Sacramento hearing was to be held in the Supervisors' room of the County Court House and the Hayward hearing in the Hayward High School auditorium.

Both hearings were well attended. Growers from San Joaquin, Yolo, and Sacramento Counties were present at Sacramento and testified in favor of a ceiling. 14/ No workers were present at this hearing and the explanation was given that they had not yet come into the area for the tomato harvest but were still busy working in other crops. Growers in this section had originally feared competition from the table grape growers who could obtain such high prices for their products that they could bid workers away from the tomato producers and who had wanted wage ceilings for grape picking as well as for picking their own product. On July 16, however, the grape growers had expressed their opposition to a wage ceiling on picking table and wine grapes. They also appeared at the Sacramento hearing to learn what the tomato growers would say. The tomato men avoided references to the grape wage situation and indicated that they wanted a ceiling for tomato picking irrespective of wage rates in other crops. They felt that even though the grape growers might take their pick of the workers a wage ceiling would still prevent bidding for the rest.

Several workers and labor contractors testified at the Hayward hearing. Their testimony was not unfriendly to a wage ceiling but they felt that the ceiling rate should be high enough so that the workers would share equally with the grower in the increased price that the grower would receive in the fall.

Recommendations in regard to ceiling rates were somewhat higher at this hearing than at the one held in Sacramento. The most common recommendation was for a ceiling of 17 cents for round tomatoes and 21 cents for pears. Some growers, however, asked for a 15-cent rate; others were willing to pay 18 and 19 cents. Grower associations in the Sacramento-San Joaquin area had given

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14/ Stenographic record of tomato wage hearings, held at Sacramento, August 10, 1943, and Hayward, August 11, 1943. (Not published.)

a good deal of consideration to the problem of wage rates and based their recommendations on wage-price ratios of previous years.

PROGRESS OF THE 1943 SEASON

Many growers of tomatoes in 1942 did not try again in 1943. They were afraid that the labor situation would become progressively tighter and that they might not be able to harvest their crop. Furthermore, the price ceilings in 1942 were rather close and promised to be equally so in 1943. When price ceilings for canning tomatoes were issued in June, however, they were more liberal than some growers had anticipated--$25.50 as against $18.50 in 1942. So numerous late acreages were planted.

The contracted acreage in 1943 was 97,931 as compared with 111,714 in 1942. Open-market acreages were estimated at 13,069 acres, or approximately the same as the 12,937 acres for the previous season.

Weather conditions during the summer were cool and the tomatoes matured slowly. The harvest started in Yolo County during the latter part of August but proceeded slowly because of the cool weather. Workers were plentiful, partly because pear, peach, and prune harvests were rapidly coming to a close, but more directly because of an unexpected heavy increase in the labor force. New sources of labor included (1) Mexican Nationals, approximately 16,000 of whom were working at crops in the canning-tomato area, (2) a large number of urban defense and nondefense workers whose movement apparently was stimulated by the withholding tax and by draft deferment policies (figures compiled by the State Bureau of Labor Statistics indicate a drop of 61,200 workers in urban industries during the period August to October 1943), (3) an unexpected influx of Oklahomans, Arkansans, and Texans who had experienced crop failures at home and had come out to earn enough money to get them through the year.

There were no bottlenecks at cannery platforms as there had been the

previous year; the slow ripening of the tomatoes enabled the canneries to handle them as rapidly as they came in.

Growers in Yolo County started paying 15 cents a box and picked over 90 percent of their crop at that rate. Those in Sacramento County started at 16 cents and were able to harvest most of the tomatoes at that price. Rates to pickers in other parts of the tomato area varied from 14 to 17 cents for the round tomatoes and 19 to 21 cents for the pears. Great satisfaction was expressed at the ease with which the crop was being harvested.

A short heat wave during the early part of September sunburned some 10 to 15 percent of the tomatoes but did not greatly accelerate the rate of ripening. Picking was slowed down, however, because it was necessary for pickers to do more sorting of the fruit. This would normally call for a slight increase in rate but apparently did not affect the wage scale during the 1943 season.

During the early part of October early growers finished their third picking and began making their clean-up. As they did so they began to run into trouble. Workers left them to go to work for other growers who still had good picking. Ceiling rates of 17 cents a box permitted workers to earn only $4 to $5 a day on the last picking and this was out of line with the earnings they felt they should make. Consequently some growers quit picking altogether and others applied to their local wage stabilization committees for permission to pay above-ceiling rates. As workers began leaving the area to pick cotton, citrus, and other Southern California crops, a definite shortage of labor began to be felt. This situation was terminated by the first frost of the season on October 31.

COUNTY ORGANIZATION TO HANDLE ADJUSTMENTS

The wage ceiling was handled at the State level by the State Wage Board and the State War Board. The first of these agencies had charge over hearings and recommendations as to ceiling rates, the second had general responsibility

for administration and enforcement. State War Board officials worked in the dual capacity of supervising the activities of the Wage Board and building up administrative procedures at State and county levels. Major activities involved in administration were (1) spreading information as to wage levels permitted by the ceiling order, (2) providing a means by which growers who were disadvantaged by the order could pay above-ceiling rates, and (3) checking reports of violations. The bulk of the administrative activity occurred at the county level in connection with requests to pay adjusted rates. Ordinarily only those requests that had been granted by county officials were passed on to the State War Board for ratification.

Organization, policies, and procedures in handling cases of growers who applied for permission to pay above-ceiling rates varied widely from county to county. Rather explicit directions were sent out by the Chairman of the State War Board on each of these points, but local compliance was pretty well founded on local expediency. "County War Board offices will provide the necessary machinery for the operation and enforcement of the order on the county level...we recommend that each County War Board affected by the order set up a Tomato Wage Stabilization Subcommittee. We suggest that this committee should be made up as follows:

"1. War Board member of AAA county committeeman to serve as chairman.

"2. Two or more representative tomato growers, the exact number to depend on the size of the county and the variability of conditions within the county.

"3. A labor representative, such as a labor contractor.

"4. A disinterested party, representing the general public. This party could be a school teacher, or any other public-spirited citizen not directly interested in the other.

"... Any requests or appeals for individual adjustment of ceilings should be made to the County U.S.D.A. War Board. The County Board, through its subcommittee, would make an immediate investigation and report its findings

to the State Wage Board....it should be remembered that the sole basis for such adjustments should be abnormal conditions which lower the amount of tomatoes that a picker may harvest in a day or other conditions which place a given grower at a definite disparity with other growers in the community." 15/

Local officials and grower groups did not always find these plans well adapted to their situation so had to modify them accordingly. For example, in one county the growers said "We're too busy to come into town to serve on such a committee. You fellows make the adjustments and let us get in the tomatoes." Growers in another county decided that the committee system was too cumbersome, hence the duty of making inspections and recommending adjustments to the State Wage Board fell on the County War Board secretary.

Two counties had complete committees with a War Board chairman, growers representing various parts of the county, and representatives of the workers and the general public. Growers and workers in those counties deserve special commendation for spending their evenings worrying over adjustment cases after they had spent a hard day in the field. Considerable difficulty was found in other counties in obtaining someone to represent the workers or the public, so the committee was actually made up of growers. As the season progressed the general tendency in the counties was to place more of the responsibility on the War Board secretary. Adjustments were needed without delay by most growers who asked for them and they did not have time to wait until a grower-investigator could be summoned, an inspection made, and a report passed on by a committee. The prescribed procedure usually took about 3 days and by that time a grower's picking crew could be hundreds of miles away. Grower committees sometimes split up into individuals who made inspections and recommendations or told the War Board secretary to pass on all routine applications himself.

15/ From War Letter No. 467 announcing the wage ceiling for the picking of canning tomatoes. August 24, 1943. Full text of the letter is to be found in the Appendix.

Policies in regard to making adjustments varied pretty largely according to the extent to which the county program was dominated by the growers. Growers were inclined to regard the program as designed to hold wage levels down. Instead of granting an adjustment on the merits of an individual case they would say, "If we grant Jones an adjusted rate half the people up in the Crooked Creek district will be asking for one," or "We can't be granting adjustments this early in the season or what will the wage rate be at the end," or "Growers that have harvested a major part of their crop shouldn't be given an adjustment," or "The wage rate will start next year where it leaves off this season so we can't grant any increases for the last picking." When the War Board secretary or official members of the War Board were in charge of adjustment policies the motives that more commonly governed their decisions were, "What will save the most food?" or "Is this grower at a disadvantage as compared with others?" Consequently, they tended to receive and grant many more requests for adjustments than committees composed of growers.

Whether the policy followed was lenient or rigid, growers in the county usually supported it. Even though a hard-boiled hold-the-line policy resulted in the loss of part of the crop, the objective of keeping wage rates in line was regarded as more important than a few tons of tomatoes. An exception to this rule occurred in one major producing county and is related later. In case a liberal policy of making adjustments was pursued the growers also were satisfied with the operation of the program and often indicated that all cases of adjusted rates that they had heard of were justified.

The number of cases in which requests to pay adjusted rates was granted is shown in table 6. The wide range in number of adjustments per county is not due to differences in adjustment policy alone but also reflects to some extent the presence of marginal fields of tomatoes. Counties in which inexperienced growers took a chance on growing tomatoes had a larger proportion of

Table 9.- Number and type of cases in which adjusted rates were granted 1/

County	Total adjustments	Increases granted (per box)							
		1¢	2¢	3¢	4¢	5¢	6¢	7¢	8¢
	No.	No.	No.	No.	No.	No.	No.	No.	No.
Alameda	27	6	13	8					
Contra Costa	0								
Merced	9			3		2			4
Napa	2/1								
Sacramento	3	1		2					
San Benito	10		3	5	1	1			
San Joaquin	2/ 23			8	8				1
Santa Clara	3		2	1					
Solano	2	2							
Yolo	40	2	2	25	6	3			2
Total 2/	118	11	20	52	15	6			7

1/ Data from records in State War Board files. They do not indicate the number of requests denied by county committees.

2/ One adjustment in Napa County and 6 in San Joaquin made on an hour basis. Most San Joaquin rates later changed to piece-rate basis.

demands for adjustments. On the other hand, those counties with "hold-the-line" adjustment committees or with committees that acted slowly in making adjustments soon had no business for such a committee to attend to. It put itself out of business and growers met their problem in the best way they could.

A special problem in enforcement arose in one of the leading tomato counties. Some tomatoes in this county mature much earlier than others. The growers of early tomatoes asked for adjusted rates so that they could finish their last picking at just about the time the growers of late tomatoes were beginning their harvest. The late growers had a majority on the committee and voted to grant no adjustments in piece rates but to give permission to the early growers to finish up their crops on an hour basis instead. The growers in the affected area were highly indignant and labeled the committee

as a bunch of ignoramuses so far as tomato picking was concerned. "Any tomato grower would know that you can't pick them by the hour." A few of these growers attempted to hire pickers on an hourly basis but found that it involved assembling a crew of transient workers on "skidrow" each morning, hauling them to an from work, and paying them off each evening. On mornings when workers were scarce they had to return to their farms without any pickers. Workers sent out by the local farm-placement office to the farms refused to stay at the ceiling rate so the growers began offering bonuses, free gasoline, 2 cents extra per box for transportation, 4 cents a box for loading, 2 cents a box for carrying boxes to the end of the row, or used other subterfuge methods to get them to remain. Some growers preferred to designate the head of a family as a contractor and pay him $8 a ton. Other growers paid above-ceiling rates without making any attempt at concealment. They had consulted a local attorney, however, to make sure they would have legal support in case they were brought to account for their actions.

Members of the State Wage Board persuaded the local committee to change its policy. After this was done a total of 20 adjustments were granted, but a good deal of antagonism toward the ceiling order had already been generated.

In another county in which the local committee refused to grant any adjustments the marginal fields and the clean-up work were done by school children. The regular tomato pickers left the county as soon as the best tomatoes were harvested. Then the farm-placement officers worked overtime to get child ren, soldiers, and housewives to finish the harvest. The ceiling order therefore increased the returns to the growers at the expense of the school children and other volunteers.

Operation of the tomato wage ceiling therefore has depended largely on county personnel, policies, and actions, and most of the difficulties experienced have been due to overanxiety on the part of grower committees to preserve

the ceiling. Two courses of action appear to be advisable for future ceilings: (1) A more careful selection of the membership of such committees; and (2) limiting and redefining their functions. Apparently growers with extreme "hold wages down" tendencies should be avoided, as should those who have strong prejudices as to parts of the producing area, large or small growers, lazy versus efficient growers, or as to other issues that might dominate their decisions. These committees probably should serve only in an advisory capacity whereas actual adjustments should be made by paid representatives of the War Board staff. The latter are more responsive to the public demand for all-out production and will bring about a flexibility in the operation of the wage ceilings that is badly needed. The main responsibility of seeing that all of their particular commodity in the county is harvested might well be delegated to the grower committee. It could then be of material assistance in administering the program.

VIOLATIONS

As individual cases are examined, the dividing line between violations and nonviolations becomes vague. One grower had been paying 15 cents a box instead of the 17-cent ceiling rate. By the time he came to the last picking the amount saved by paying the lower rate amounted to $1,100. He offered this as a bonus to workers who would stay with him during the rest of the season. Earnings per box for the last picking therefore were considerably more than 17 cents and were out of proportion to the amount that some of his neighbors could pay. He believed he was operating within the ceiling.

Another grower was hauling workers from "skidrow" to assist his Mexican Nationals in picking his tomatoes. He paid both groups 75 cents an hour. The cost of picking amounted to 25 cents a box, or 8 cents over the ceiling. He was forced by Government contract to pay the Mexican Nations 75 cents and

paid the other workers at the same rate. He also felt that he was not violating the ceiling.

Then there were those growers mentioned in the previous section who in compliance with the law went before the local committee to obtain an adjusted rate. Instead of obtaining it they were given a substitute which they regarded as a sham to cover up the real intention of the committee. They proceeded to do what was necessary to save the rest of their crop of tomatoes and claimed that they were morally justified in harvesting their crops in spite of a "biased" decision of the local committee. Their claim was that they were operating within the intent of the law and that the committee had violated it in refusing to grant adjusted rates in cases of obvious hardship.

In Santa Clara County when tomato growers were expecting a change in the weather and needed additional labor in a hurry, they began offering rates above the ceiling. Probably a few extra workers were attracted but for the most part they merely pirated labor away from each other. This is the type of activity the ceiling order was designed to prevent, yet both growers and agricultural officials were inclined to condone it on the ground that the ceiling itself was not flexible enough. They felt that when a grower was in a real hurry to save his crop before a frost he couldn't spend his valuable time writing out petitions and sitting around San Jose waiting for a committee to pass on his request.

It is not intended to condone the actions of the foregoing groups of growers, but these borderline situations serve to indicate the narrow line between violation and nonviolation. Enforcement officials should consider the moral compulsion that a farmer feels in regard to harvesting his crop, otherwise they will force him to act contrary to the law.

The State War Board had two men who spent most of their time traveling over the wage-ceiling area, running down rumors of violations, or assisting

local committees in formulating policies of adjustments. As the season progressed County War Board secretaries were instructed to keep a man in the field to see that the ceiling was being observed. Most of the rumors in regard to violations proved to be unfounded; others had more evidence behind them but could not be definitely proved. In spite of the lack of tangible results growers felt that such investigations were valuable; (1) they probably dissuaded would-be violators; and (2) they gave the growers a feeling that a positive effort was being made to prevent competing growers from paying more than they should.

Three reports of violations were sent in to the State Office. In Alameda County a Mexican labor contractor was reported as active in pirating labor from grow ers at 19 cents a box. The evidence against him was strong but the grower who made the complaint did not want to be mentioned as he was afraid he might become involved in labor trouble. The contractor denied the charges, and a watch was kept over him for the rest of the season to see that he stayed in line.

In Santa Clara County an Italian grower was reported as paying 20 cents a box. Investigation bore out the report and the automobile license numbers of his workers were turned in to the State Office. In answer to a warning letter sent out from State Headquarters, a reply came from an attorney in Palo Alto. His letter asked for a copy of the wage stabilization law. The charges were not pursued further.

In Napa County a grower was reported as paying 60 cents an hour, or the equivalent of 25 cents a box, to his Mexican Nationals. No action was taken on this report as the grow er was observing the minimum wage regulation governing the importation of Mexicans and his actions were in no wise inclined to produce labor pirating.

Enforcement of wage ceilings was found to require different policies

and methods than the administration of criminal statutes. The growers usually violated only when they did not understand or when the ceiling rate did not fit their case. To employ investigators to use pressure on them appeared to be more effective than to try punitive measures.

ATTITUDES IN REGARD TO THE CEILING

With few exceptions tomato growers agreed that the wage ceiling had been beneficial to them. It had stopped workers from going from farm to farm to bid up wage rates. Those growers who had made a practice of pirating labor in previous years had been forced to stay in line this season, consequently there had been less labor trouble than in many years. Growers were frequently inclined, however, to be critical of local enforcement personnel and policies. Their statements were often without foundation and seemed instead to indicate an uneasiness over increasing Government control over agriculture. Common lines of comment were somewhat as follows: "Now if they had a committee of real tomato growers the plan would be all right. Instead of that 3 members never raised tomatoes before. They're just speculators. The school teacher never saw a tomato except on his plate." "That damn committee never saw a tomato. They think we can pick them on an hour basis." "They tell me that any grower that wants an adjustment can just go in and get it." "I said, 'Hell, rather than wait a week to get an adjustment, I'll just disk under the rest of my crop.'" "The way they administer it, it's just too damn inflexible. I always have to pay a little more to get my tomatoes picked, but try and get it out of that bunch." "What can that committee do if a man wants to violate? They couldn't prove a thing." After such a tirade a grower frequently concluded by saying, "Now don't misunderstand me, that ceiling has been a fine thing. We couldn't have got along without it."

Such statements frequently led to general expressions of distrust in

regard to the ability of Government officials to regulate agriculture. Price ceilings on some farm products appeared to them to be too high and on others too low. Government-established prices were enabling some farmers to become wealthy and causing others to operate on a close margin. One Government agency would say a crop was not essential, another would buy up this commodity in preference to so-called essential crops. Growers were afraid that similar inequalities might occur in a program of wage controls and that they might easily be placed at a disadvantage as compared with growers of other commodities.

Mixed feelings in regard to the ceiling order were found among workers also. Most of them appeared to have a real respect for the order. They regarded the rate as fair and felt that they might have done much worse if there had been no ceiling. Placement officials in one large urban farm labor office indicated that farm laborers preferred to go out on jobs subject to the wage ceiling. Then the workers felt that the rate of payment would necessarily be in line with the work to be done. A 15-cent rate indicated heavy picking and excellent picking conditions, a 17-cent rate average yield and conditions, and a 20-cent rate a poor field that had to pay above the ceiling to get pickers. There was similar evidence elsewhere that pickers had begun to depend on the ceiling rates as a helpful index to probable yields and field conditions.

On the other hand, workers resented having to pick the last picking at ceiling rates when they had customarily been paid more for it. "Why the hell should I stay here and pick tomatoes for 17 cents a box when you only get a box off of 20 or 30 vines? Let those guys that put on the ceiling pick the tomatoes."

Agricultural officials were somewhat more consistent in their opinions but some took one side and some another. The majority stated without

qualification that the ceiling had a remarkable stabilizing effect on the farm labor situation and that its effect had carried over to other crops which were harvested during the same period of time. A few indicated, as the growers had done, that their support was not entirely wholehearted. "The only reason it worked was because there was an abundant supply of labor. If there had been a real shortage there would have been no way to have stopped the pirating." "It's all right as an experiment but it's too damn inflexible. When a grower is right up against it to hold his labor he needs an increased rate now and not next week. The ceiling was O. K. up to a certain time. Then it simply got in the road and the farmers had to ignore it in order to get their crop in." Such friendly critics felt that growers had a higher moral obligation to harvest their crops than they had to abide by a wage ceiling that was obstructing their efforts. A third reservation that members of this group made in their support of the ceiling was its effect on the marginal grower. They felt that some type of sliding scale was needed which would permit the producer of a light crop to compete equally for labor with the man with an average or heavy crop.

A few of the agricultural officials were on the adverse side. One said, "That wage ceiling was the most damned inequitable thing that was ever shoved down the throats of the growers in this county. The man with a light crop couldn't pay any more than the one with a heavy crop. Fortunately there was a good supply of labor and he managed after a lot of scratching to get by. But any grower is in a tough spot if he has to rely on grammar school kids, Sunday workers, and other such labor. Those big growers just put his neck in a noose and he had to take it." Such critics had generally been in contact with growers who were hardly able to get their tomatoes picked at the ceiling price. The complaint was more or less appropriate depending on the policy of the local committee with regard to granting adjustments in rates,

CEILING WAGE RATES IN RELATION TO THE GROWER'S ABILITY TO PAY

Tomato growers have felt rather resentful in regard to the close price ceilings established by the OPA. "The Government says it wants tomatoes. They're a war crop. Everything else the Government buys for war purposes it pays top prices for, but tomatoes are held down to prices so low that the grower can barely afford to raise them. In fact he can make more money by raising any other crop but is supposed to sacrifice his opportunity to make a profit in order to help the war effort." The argument has considerable merit. Producers of luxury and comparatively unessential crops such as melons, lettuce, and wine grapes have been permitted to make large profits whereas the man who has cooperated with the Government's production program has had to operate on a comparatively close margin.

On the other hand, careful tomato growers made handsome profits. An expert farmer stated modestly. "I've cleared $337 an acre on my tomatoes this year, but my wine grapes netted me close to $700 and took much less work." Compared to the 21 tons of tomatoes he produced per acre the average grower in the State made only 6.0 to 6.5 tons this season. 16/ Cost data prepared by R. L. Adams, of the University of California, indicate the following costs for California tomato growers in 1943.

Table 7.- Outlays and returns per acre in the production of canning tomatoes, 1943 1/

Outlays per acre	Yield	
	6 tons per A	10 tons per A
Labor and use of equipment	$63.32	$100.80
Materials	10.70	15.20
Miscellaneous	21.28	26.38
Total	95.30	142.38
Receipts at $25 per ton	150.00	250.00
Balance to operator	54.70	107.62

1/ Adams, R. L. Supplement to Farm Management Crop Manual. 1943.

16/ Figures from preliminary estimates made by California Cooperative Reporting Service.

Growers generally figure that they have to produce 6 tons to the acre in order to make expenses. At 1943 prices, however, they were able to break even on somewhat less than a 4-ton production.

The objection made by growers that their labor costs are steadily mounting is borne out when picking costs are compared with prices received by the grower over a period of years (table 8). The usual cost per ton for picking during the 1920's and early thirties was from $2 to $2.50. This amounted approximately to 20 percent of the total selling price. Since 1938 picking costs have run from 25 to 28 percent of the amount received by the grower. This may indicate, however, that earlier picking rates were too low rather than that the present ones are too high. As some growers remarked, "The wage rates are O. K. It's the price of the tomatoes to the grower that is too low." Index numbers of prices received for tomatoes by growers and of general price levels based on a 1924-29 base do not bear out this contention. The grower of tomatoes obtained increases in prices for his product in 1942 and 1943 in excess of the average rise in price levels. Wage rates have increased only slightly more than the price of his product.

UNSOLVED PROBLEMS IN CONNECTION WITH THE CEILING

At the beginning of the season some tomato growers were fearful as to what might happen to them under a wage ceiling program. Their fears might have been realized if the labor supply had not been amplified by the influx of workers from defense industries and from the Middle West. In localities in which the labor supply was short the wage ceilings tended to operate unfairly. Under conditions of actual labor shortage the ceiling rate immediately became the going wage and growers who had the best fields took all the workers whereas those with poorer fields were unable to get their crop harvested. The ceiling operated to prevent them from raising their rates in order to obtain

Table 8.- Estimated average wage rates for picking round tomatoes, 1930-43, compared with price per ton received by growers,

Year	Picking rate per ton 1/	Price per ton to grower 2/	Proportion of price paid for picking	Index number of Picking wage rate 3/	Index number of Price to growers 3/
	Dols.	Dols.	Pct.		
1943	6.40	25.00	25.6	222	197
1942	4.80	18.50	25.9	166	146
1941	4.00	14.00	28.6	139	110
1940	3.50	12.60	27.8	122	99
1939	3.25	12.60	25.8	113	99
1938	3.00	12.30	24.4	104	97
1937	3.00	14.10	21.3	104	111
1936	2.75	13.00	19.2	95	107
1935	2.40	11.50	20.9	83	90
1934	2.40	11.60	20.7	83	91
1933	2.40	12.00	20.0	83	94
1932	2.25	10.75	20.0	78	86
1931	2.40	12.80	19.5	83	101
1930	2.80	15.10	18.5	97	119

1/ Figures based on estimates made by growers and cannery field men in San Joaquin County. Few actual records were available and those that were obtained were quite variable. Rate is for round tomatoes.

2/ U. S. Surplus Marketing Administration. Economic Data for Canned Tomatoes, 1925-40.

3/ 1935-39 = 100.

part of the existing supply. Furthermore, after picking the good fields at the ceiling rate the workers were not inclined to move to a poorer field and pick it for the same rate.

The effect of wage ceilings, therefore, under conditions of real labor shortage appears to be to concentrate the existing labor force on the best fields while leaving the others unpicked. In crops such as tomatoes where differentials from field to field are very great, something more than a system of local adjustments is needed if all growers are to have an equal

opportunity to get their crops harvested.

The 1943 wage ceiling order for tomatoes covered localities in which the prevailing wage rates varied from 60 cents to $1 an hour. It also covered localities with great differentials as to competition from other crops. The harvest of Tokay grapes was at its peak during the tomato season and workers in such areas did not feel that 17 cents a box was a good wage as compared with the earnings that might be made in grapes. In other localities, tomatoes were the only crop that was active. The flat ceiling rate which was applied to all these areas did not operate in an equal fashion. In some counties most of the tomatoes were picked at below ceiling rates and marginal growers could compete by paying the ceiling wage. In such places the ceiling order operated smoothly and easily. In areas of high competition and high wages tomato growers were unable to compete on equal terms with other enterprises. It might be disastrous to have a ceiling rate which varied from county to county; however, some experimentation is needed along this line to determine the extent to which ceiling rates can be varied to meet local conditions.

Operation of the tomato wage ceiling was complicated because there were usually four pickings, of which the first was light and the last involved a good deal of sorting. The same ceiling rate applied to all four pickings in spite of the fact that one grower would be on his last picking at the same time that another was on his first, second, or third. Under such circumstances, the wage ceiling tended to shift labor away from the last picking rather than to hold it on a job until it was done. Some additional plans are needed as to means of getting the last picking done.

The numerous variations that occurred in the tomato industry placed a heavy responsibility on local tomato adjustment committees. Probably an excellent job was done under the circumstances. As so many of these differences

can be anticipated at the State level it seems that they should either be incorporated in the initial ceiling rate schedules or should be handled by general instructions from the State office. Possibly normal earning schedules might be set up as a guide to indicate which growers are entitled to receive adjustments. To what extent such measures can be set up is still undetermined.

Mexican Nationals who assisted in picking tomatoes worked under contracts expiring at a fixed time. When this time arrived they were usually sent back to Mexico. Many of those working in tomatoes were sent home on October 15 from areas that later suffered from labor shortages and ceiling violations. It seems that a closer coordination between the importation program and the wage stabiliz ation program might be worked out.

Tomato growers were inclined to feel that a fairly exact relationship might be established between wage ceiling rates and ceiling prices for their commodity. This is a point of view that bears more investigation so that wage rates may be more closely correlated with prices received by the growers.

APPENDIX

UNITED STATES DEPARTMENT OF AGRICULTURE
California USDA War Board
P. O. Box 247
Berkeley 1, California
August 24, 1943

WL 467
LBR 67

War Letter No. 467

LABOR - No. 67

Re: Wage Ceilings for the Picking of Canning Tomatoes

I. General

The War Food Administration has issued an order establishing maximum wage rates of 17¢ per 50-lb. field box for rounds and 21¢ per 50-lb. box of pear-shaped tomatoes for the picking of canning tomatoes in certain counties of California. The order applies to the following counties:

Alameda	Monterey	Santa Clara	Sonoma
Butte	Napa	San Mateo	Stanislaus
Colusa	Placer	Santa Cruz	Sutter
Contra Costa	Sacramento	San Joaquin	Yolo
Merced	San Benito	Solano	Yuba

Wage payments for the picking of canning tomatoes cannot be made in excess of the ceilings established above without the approval of the USDA Wage Board of California. The provisions of the order shall apply to all persons concerned with picking canning tomatoes for the 1943 harvest. The order is effective immediately and is applicable to employers, labor contractors and workers. Criminal penalties for willful violation of the order are a fine of not more than $1,000 or imprisonment for not more than one year, or both. Furthermore, any wage payments made in violation of such order shall be disregarded in determining the costs or expenses of any employer for the purpose of any law or regulation including the Emergency Price Control Act of 1942 or any maximum price regulations thereof, or for the purpose of calculating deductions under the Revenue Law of the United States or for the purpose of determining costs or expenses of any contract made by or on behalf of the United States. In connection with the penalty involving the calculation of deductions for purposes of the 1943 income tax no portion of the harvest payroll during the period can be shown as an expense item.

It is impor tant to bear in mind that the rates established are the maximum that can be paid and that lower rates may be paid without fear of violation of the order.

II. Procedure

A. State Level

On the State level the USDA Wage Board for California will be

responsible for the administration and enforcement of the order. The Wage Board is composed of the following members: Dave Davidson, Chairman of the State AAA Committee and Chairman of the USDA War Board, John Cooter representing the War Manpower Commission, William H. Metzler of the Bureau of Agricultural Economics, and Edward J. Rowell, of the Office of Labor of the War Food Administration. The State War Board office is the office of the USDA Wage Board. It is expected that representatives of the USDA Wage Board will operate in the field to assist county War Boards in the application of the order to growers and workers within the applicable counties.

B. County Level

County War Board offices will provide the necessary machinery for the operation and enforcement of the order on the county level. County War Boards should be in a position to give necessary information as to the provisions of the order and the procedure in filing petitions for relief from hardship. Too much emphasis cannot be laid upon the importance of seeing that all growers and laborers thoroughly understand the provisions of the order and the reasons for its issuance. It should be pointed out that the order was not issued at the instance of officials in Washington or elsewhere, but as the result of the urgent demands of the growers themselves. From the standpoint of the laborer it should be observed that these rates are high enough to assure reasonable wages for a competent picker, certainly higher than wages for similar work at any time in the past and in line with wages now prevailing for work of a comparable nature in other commodities and in industry. A thorough understanding at the outset on the part of all parties concerned should go far to minimize administration difficulties and prevent violations.

To effectuate the above, we recommend that each county War Board affected by the order set up a Tomato Wage Stabilization Subcommitte. We suggest that this committee should be made up as follows:

1. War Board member or AAA county committeeman to serve as Chairman.
2. Two or more representative tomato growers, the exact number to depend on the size of the county and the variability of conditions within the county.
3. A labor representative, such as a labor contractor.
4. A disinterested part, representing the general public. This party could be a school teacher, a clergyman or any other public-spirited citizen not directly interested in the order.

Representatives of the State Wage Board and this office will be available to assist county War Boards and their subcommittees but the bulk of administrative work will have to be done by local people. Minutes of the Tomato Wage Stabilization Subcommittee deliberations shall be sent to this office.

C. Appeals

Any requests or appeals for individual adjustment of ceilings should be made to the county USDA War Board. The county Board, through its subcommittee, would make an immediate investigation and report its

findings to the State Wage Board. Such communications should be addressed to Dave Davidson as Chairman of the California Agricultural Wage Board, at the office of the California USDA War Board. In making recommendations for adjustments, it should be remembered that the sole basis for such adjustments should be abnormal conditions which lower the amount of tomatoes that a picker may harvest in a day or other conditions which place a given grower at a definite disparity with other growers in the community. Shortage of labor cannot be viewed as grounds for an adjustment. Any relaxation of this policy could easily result in the defeat of the whole purpose of the order.

Authority to make adjustments cannot legally be delegated to county War Boards, but the State Wage Board will act promptly upon the recommendation of county boards.

D. Violations

A procedure is necessary for the handling of violations and the following is the one to be used:

1. Anyone who becomes aware of a violation of this order should notify the county War Board of the county wherein the violation has occurred. If it is impossible to call at the appropriate county office, it will be in order to notify another county office which will, in turn, transmit the information to the right county. In notifying the county War Board of the violation, all the facts known to the person making the report should be given to the county War Board. Also, the person filing the complaint should give his name, but should not be required to sign a statement regarding the apparent violation, since we do not wish to deal in anonymous rumors. The name of the person reporting will, of course, be kept confidential.

2. The county War Board will investigate any reports so made. In making such an investigation some field work will be needed, but no specific instructions will be given. The facts should be ascertained through interviews and other procedures similar to those used in investigating draft deferments, priorities, and machinery cases. The investigation should produce as complete a report as possible.

3. The county War Board will, in turn, report to the State Wage Board (at the address of the California USDA War Board and directed to Dave Davidson as Chairman of the State Wage Board). In making this report of the case all the detailed information collected in the investigation should be submitted to the State Wage Board. All violations reported to the county War Board should be reported to the State Wage Board whether or not the investigation shows there is an actual violation.

4. Upon receipt of the reports from the county War Board, the State Wage Board will review the case and if a violation is indicated, even though not completely substantiated, the State Wage Board will send a warning letter to the employer or employee as the case may be. This letter will indicate that an apparent violation has been reported and that the State Wage Board is warning the individual of the seriousness of violations of this order. Further, the letter will state that

if a violation is in effect, it should be stopped immediately, and that in any event an answer should be sent without delay to the State Wage Board explaining the situation. The letter will further state that desisting from further violation will not necessarily preclude prosecution, but that it at least will be an evidence of good faith. Also a complete explanation will help to clear up the matter if there has been no violation. As an additional incentive to answering the letter, there will be contained in this warning a further statement to the effect that if no satisfactory answer is received within ten days from the date of the letter, the State Wage Board will turn the case over to the Regional Attorney of the U. S. Department of Agriculture, and will also notify the Bureau of Internal Revenue of the apparent violation of the order.

5. The case, if turned over to the Regional Attorney of the U. S. Department of Agriculture, will be followed closely and, after an appropriate additional investigation, will be given to the U. S. Attorney for prosecution.

This outline should indicate to everyone that it is the clearcut intention of the Department of Agriculture and the Government as a whole, to see that this order is upheld. Any difficulties that may arise should be referred to the State Wage Board without delay in order that they may be cleared up promptly. It is more important that the order be effective than that punitive prosecutions be carried out.

E. Information

In order to effectuate the administration of the order, it is necessary that information concerning its provisions be disseminated as rapidly and as widely as possible. We are enclosing copies of a press release, which should reach your office in time for simultaneous release with a similar article from this office to press associations, radio stations, and farm publications. A sufficient quantity is being sent to supply a copy to each newspaper in your county. The local press should also be kept advised of local developments, including the appointment of a subcommittee.

We are also enclosing a suggested letter which might be reproduced and sent to every known tomato grower in your county. If your office does not have a satisfactory list, the names might be secured from canneries.

Personal contacts should immediately be made with growers' organizations, canneries and others in contact with tomato growers, and persons in your office who meet the public should thoroughly familiarize themselves with the order.

In the event county War Boards desire to hold general grower meetings to explain the application of the order, assistance can be obtained from this office provided that we are notified in advance.

Because of their responsibilities in connection with recruitment and placing of farm labor, Extension Service representatives in your county will no doubt receive many questions concerning this order,

although they have no responsibility in connection with its administration. It is suggested that you contact your Farm Advisor and Farm Placement Manager to work out a method of handling such inquiries.

Dave Davidson, Chairman
California USDA War Board

Enclosure:
Press Release
Suggested Letter to Growers